



Commonwealth of Kentucky
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FOR IMMEDIATE RELEASE

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Consumers Should Use Caution During Storm Clean-up
Deal with reputable companies, check facts before making purchases

FRANKFORT, KY (Feb. 6, 2009) – Signs have begun popping up on street corners across the commonwealth offering assistance with tree trimming and debris removal. Trucks with out-of-state license plates are showing up in neighborhoods hit by the recent ice storm.

"This is a time when Kentuckians may need to show a little less Southern hospitality," said Sharon P. Clark, commissioner of the Kentucky Department of Insurance (DOI). "We urge consumers to use caution when selecting someone to assist with clean-up and debris removal."

Clark said consumers should deal only with reputable companies and should ask for proof of general liability and workers' compensation insurance. In addition, some municipalities may require a special permit or license for those working in the disaster area. Check with the Better Business Bureau or local Chamber of Commerce for assistance in locating reputable companies to handle storm clean-up.

Kentucky residents are advised to remember some basic information for dealing with the aftermath of any natural disaster:

Understand there is a cost when dealing with a public adjuster. Kentucky has 26,000 licensed adjusters, and DOI has authorized about 800 more to enter the state on an emergency basis to assist with ice storm claims. The majority work for insurance companies with no cost to the consumer. Public adjusters, however, work on a consumer's behalf and are paid a fee or a percentage of any claim paid. This could leave the insured without enough money to make necessary repairs.

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Know what your policy covers and what your company expects of you during the claims process. DOI has received reports of incorrect information being disseminated regarding what is covered by insurance and how to handle the claims process. Don't assume food spoilage is covered without calling your agent or checking your policy. Don't purchase a generator under the assumption that your insurer or the federal government will reimburse you. While temporary steps should be taken to prevent further damage (place a tarp on the roof or remove water from a basement), no permanent repairs should be made until the adjuster has finished reviewing the claim. Consumers should keep receipts for any temporary repairs made and take photos to document the damage.

A decision about extending the time to pay premiums would be made by companies, not DOI. DOI has received a number of calls from consumers who say they have asked their insurers for an extension or leniency in paying premiums due during or immediately after the ice storm. Consumers say they have been advised to contact DOI to request this service. Individual insurers would make any determination regarding a premium payment extension, not DOI.

Make claims as soon as possible but take care of immediate needs. DOI has received information that some consumers are being told they must make claims immediately. While it is best to make claims as soon as possible, some damage may not be obvious right away, and waiting a few days is not going to cause a problem.

"Companies understand that those without power for days are dealing with more immediate needs at this time," said Commissioner Clark. "Kentuckians don't need added panic over filing an insurance claim."

Patience remains the key. In a widespread disaster, such as the recent ice storm, it may take several days after a claim is reported for an adjuster to assess the damage. In some parts of the state, insurance personnel are unable to enter areas due to blocked roads and downed power lines. Once it is safe to enter an area, additional delays may occur because of the widespread damage.

Consumers can contact DOI toll free at 800-595-6053 to file a complaint or for additional information. A publication, *After the Storm has Passed*, is available on the DOI Web site, <http://doi.ppr.ky.gov/kentucky/>, under Free Publications.